U.S. Department of the Interior Bureau of Land Management White River Field Office 220 E Market St Meeker, CO 81641

Section 390 Categorical Exclusion for Oil and Gas Development

NUMBER: DOI-BLM-CO-N05-2014-0106-CX

CASEFILE/PROJECT NUMBER: COC60755

COC76613 (Federal 299-23-1 disposal well and access road ROW)

COC76614 (Water pipeline ROW)

<u>PROJECT NAME:</u> WPX's request to install a 4 inch water line associated with the Federal 299-23-1 well (1 SN)

LEGAL DESCRIPTION: T. 2 S., R. 99 W., Sec. 23, 6th P.M.

APPLICANT: WPX Energy Rocky Mountain, LLC.

DESCRIPTION OF PROPOSED ACTION: WPX Energy Rocky Mountain, LLC requests authorization to install one, 4 inch water line connecting the subject well pad (Federal 299-23-1) to the adjacent, approved Ryan Ridge water line corridor (COC73933). The proposed water line would be approximately 396 feet in length. Reclamation of the proposed water line ROW will be consistent with BLM WRFO pipeline reclamation procedures. The project will adhere to the WPX Ryan Gulch Field Wide Storm Water Management Plan which also addresses weeds and reclamation. The pipeline is required in order to support injection into the Federal 299-23-1 well (requested conversion to SWD well was submitted and approved.)

Since the proposed water line would be used to transport produced water from other leases and units into the Federal 299-23-1 disposal well, rights-of-way are required for both the water line and the disposal well.

<u>PLAN CONFORMANCE REVIEW</u>: The Proposed Action is subject to and has been reviewed for conformance with (43 CFR 1610.5, BLM 1617.3) the following plan:

Name of Plan: White River Record of Decision and Approved Resource Management Plan (ROD/RMP).

Date Approved: July 1, 1997

Decision Number/Page: Page 2-5

<u>Decision Language</u>: "Make federal oil and gas resources available for leasing and development in a manner that provides reasonable protection for other resource values."

<u>CATEGORICAL EXCLUSION REVIEW</u>: The Energy Policy Act of 2005 (P.L. 109-58) prescribed five categorical exclusions (CX) for activities whose purpose is for the exploration of oil or gas.

The Proposed Action qualifies as a categorical exclusion under the Section 390 of the Energy Policy Act, #1: "Individual surface disturbances of less than five acres so long as the total surface disturbance on the lease is not greater than 150 acres and site-specific analysis in a document prepared pursuant to the NEPA has been previously completed."

Documentation

The BLM NEPA Handbook (H-1790-1) provides specific instructions for using this CX.

- 1) Is surface disturbance associated with the Proposed Action less than five acres? Yes, the proposed disturbance will occupy approximately 0.09 acres (396 ft x 10 ft) post construction.
- 2) Is there less than 150 acres of surface disturbance, including the Proposed Action, on the entire leasehold?

Estimates of surface disturbance within the lease (COC60755 at the surface location) that are most likely attributed to oil and gas exploration and production activities equal approximately 25 acres. This area represents 4 percent of the total area of the lease, which is approximately 640 acres in size.

3) Is the Proposed Action within the boundaries of an area included in a site-specific NEPA document? (The NEPA document must have analyzed the exploration and/or development of oil and gas (not just leasing) and the action/activity being considered must be within the boundaries of the area analyzed in the environmental assessment (EA) or environmental impact statement (EIS). The NEPA document need not have addressed the specific permit or application being considered.)

Yes. Perceived impacts associated with the construction of the well pad and the access and pipeline corridors associated with these wells were reviewed in BLM-CO-110-2004-164-EA (signed on 10/20/2004).

<u>INTERDISCIPLINARY REVIEW</u>: Internal scoping was initiated when the project was presented to the White River Field Office (WRFO) interdisciplinary team on 11/19/2013. External scoping was conducted by posting this project on the WRFO's on-line National Environmental Policy Act (NEPA) register on 1/3/2014.

Name	Title	Resource	Date
Michael Selle	Archaeologist	Cultural Resources, Native American Religious Concerns	7/10/2014
Ed Hollowed	Wildlife Biologist	Special Status Wildlife Species	7/14/2014
Justina Thorsen	Ecologist	Special Status Plant Species	7/8/2014

REMARKS:

Cultural Resources: The area of the proposed pipeline route has been inventoried at the Class III (100 percent pedestrian) level (Conner and Davenport 2004 compliance dated 8/26/2004, Schwendler et al 2008 compliance dated 2/11/2009) with no cultural resources identified on the surface within 305 meters (1,000 feet) of the proposed new pipeline. Unless previously undetected resources are encountered during pipeline trenching, impacts to cultural resources are not anticipated. If resources are encountered during excavation of the trench the resultant loss of data to the regional archaeological database would be long term, permanent, irreversible, and irretrievable.

Native American Religious Concerns: No Native American religious concerns are known in the area, and none have been noted by Northern Ute Tribal authorities. Should recommended inventories or future consultations with Tribal authorities reveal the existence of such sensitive properties, appropriate mitigation and/or protection measures may be undertaken.

Paleontological Resources: The proposed pipeline route is in an area generally mapped as the Uintah Formation (Tweto 1979) which the BLM has categorized as a Potential Fossil Yield Classification (PFYC) 5 formation meaning it is known to produce scientifically noteworthy fossil resources (Armstrong and Wolny 1989). If it becomes necessary to excavate into the underlying sedimentary rock to excavate the trench needed to bury the pipeline there is a potential to impact scientifically noteworthy fossil resources. Any impacts to fossils as a result of project implementation would result in a long term, permanent, irreversible and irretrievable loss of data from the regional paleontological database.

Threatened and Endangered Wildlife Species: Recent surveys to determine the status of two nearby woodland raptor nests (within 200 meters of proposed activity) indicated that any nesting activity (in this case, long-eared owl) that may have occurred in 2014 had been completed. The Proposed Action, confined to existing pad disturbance late in the migratory bird nesting season, would have little, if any, potential to disrupt avian nesting functions. The Proposed Action would have no effective influence on any other local wildlife population or habitat.

Threatened and Endangered Plant Species: There are no special status plant species issues or concerns associated with the Proposed Action.

REFERENCES CITED:

Armstrong, Harley J., and David G. Wolny

1989 Paleontological Resources of Northwest Colorado: A Regional Analysis. Museum of Western Colorado, Grand Junction, Colorado.

Conner, Carl E., and Barbara J. Davenport

- 2004 Class III Cultural Resource Inventory Report for Five Proposed Well Locations and Their Associated Pipeline Routes (8.8 miles) and a Compressor Site in Rio Blanco County, Colorado for Riata Energy, Inc. Grand River Institute, Grand Junction, Colorado. (04-11-20: OAHP # RB.LM.R789)
- Schwendler, Rebecca, Sarah Baer, Karen Reed, Scott Phillips, Scott Slessman, Matthew Bandy, Nicole Kromarek, Scott Bowen, Max Wolk, Caryn M. Berg, Paul Burnett, Tom Witt, Sean Doyle, Michelle Delmas, Michael Cregger, John Kennedy, Judy Cooper, Zonna Barnes, Amanda Cohen, Cynthia Manseau, Michael Retter, Dan Shosky, and Erin Salisbury.
 - A Class III Cultural Resource Inventory for the Ryan Gulch 3-D Geophysical Exploration Project, Rio Blanco County, Colorado. SWCA Environmental Consultants, Broomfield, Colorado. (09-127-01: OAHP # RB.LM.R1083)

Tweto, Ogden

1979 Geologic Map of Colorado. United States Geologic Survey, Department of the Interior, Reston, Virginia.

<u>MITIGATION</u>: The following mitigation was identified in DOI-BLM-CO-110-2004-164-EA and applies to the Proposed Action:

- 1. Applicant will spread water on road surfaces to control fugitive dust during construction and continue on an as needed basis for the life of the wells.
- 2. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the AO, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.
- 3. The operator shall be required to collect and properly dispose of any solid wastes generated by this project.
- 4. Oil and Gas operations are considered to be a light industrial activity by the Colorado Department of Public Health and Environment. As an industrial discharger, the applicant is required to obtain a permit authorizing the discharge of stormwater from these sites. The permit requires development of a stormwater management plan showing how BMPs would be used to control runoff and sediment transport.
- 5. When preparing the site, all suitable topsoil should be stripped from the surface and stockpiled in wind-rows for reclamation for use once the pipeline is installed.
- 6. Avoid establishment of vegetation where it inhibits drainage from the road surface or where it restricts safety or maintenance.

- 7. Eliminate undesirable berms that retard normal surface runoff.
- 8. Promptly recontour and revegetate all disturbed areas using Native Seed Mix #2 shown in the table below.

Table B-2 Native Seed Mix					
Native seed Mix #2	Western wheatgrass (Rosanna)	2			
II	Indian ricegrass (Nezpar)	1 1			
	Bluebunch wheatgrass (Whitmar)	2			
	Thickspike wheatgrass (Critana)	2			
	Needle and thread (Stipa comata)	1			
	Globemallow	0.5			

- 9. Water bars or dikes shall be constructed on all of the rights-of-way, and across the full width of the disturbed area, as directed by the authorized officer.
- 10. Slopes within the disturbed area shall be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetative cover shall be reestablished to increase infiltration and provide additional protection from erosion.
- 11. When erosion is anticipated, sediment barriers shall be constructed to slow runoff, allow deposition of sediment, and prevent it from leaving the site. In addition, straining or filtration mechanisms may also contribute to sediment removal from runoff.

The following mitigation also applies to the Proposed Action:

- 12. The operator is responsible for informing all persons who are associated with the project that they will be subject to prosecution for knowingly disturbing archaeological sites or for collecting artifacts.
- 13. If any archaeological materials are discovered as a result of operations under this authorization, activity in the vicinity of the discovery will cease, and the BLM WRFO Archaeologist will be notified immediately. Work may not resume at that location until approved by the AO. The operator will make every effort to protect the site from further impacts including looting, erosion, or other human or natural damage until BLM determines a treatment approach, and the treatment is completed. Unless previously determined in treatment plans or agreements, BLM will evaluate the cultural resources and, in consultation with the State Historic Preservation Office (SHPO), select the appropriate mitigation option within 48 hours of the discovery. The operator, under guidance of the BLM, will implement the mitigation in a timely manner. The process will be fully documented in reports, site forms, maps, drawings, and photographs. The BLM will forward documentation to the SHPO for review and concurrence.
- 14. The operator is responsible for informing all persons who are associated with the project operations that they will be subject to prosecution for disturbing or collecting vertebrate or other scientifically-important fossils, collecting large amounts of petrified wood (over

- 25lbs./day, up to 250lbs./year), or collecting fossils for commercial purposes on public lands.
- 15. If any paleontological resources are discovered as a result of operations under this authorization, the operator or any of his agents must stop work immediately at that site, immediately contact the BLM Paleontology Coordinator, and make every effort to protect the site from further impacts, including looting, erosion, or other human or natural damage. Work may not resume at that location until approved by the AO. The BLM or designated paleontologist will evaluate the discovery and take action to protect or remove the resource within 10 working days. Within 10 days, the operator will be allowed to continue construction through the site, or will be given the choice of either (a) following the Paleontology Coordinator's instructions for stabilizing the fossil resource in place and avoiding further disturbance to the fossil resource, or (b) following the Paleontology Coordinator's instructions for mitigating impacts to the fossil resource prior to continuing construction through the project area.
- 16. Any excavations into the underlying native sedimentary stone must be monitored by a permitted paleontologist. The monitoring paleontologist must be present before the start of excavations that may impact bedrock.
- 17. Eradicate all noxious and invasive species which occur on site using materials and methods approved in advance by the Authorized Officer. Application of herbicides must comply with the Vegetation Treatments on Bureau of Land Management Lands in 17 Western States Programmatic Environments Impact Statement (EIS), and the WRFO Integrated Weed Management Plan (DOI-BLM-CO-110-2010-0005-EA).
- 18. Pesticide Use Proposals (PUPs) must be submitted to and approved by the BLM before applying herbicides on BLM lands. The PUP will include target weed species, the herbicides to be used, application rates and timeframes, estimated acres to be treated, as well as maps depicted the areas to be treated and known locations of weeds. The WRFO recommends that all PUPs be submitted no later than March 1st of the year anticipating herbicide application.
- 19. If the pipeline is installed when livestock are present in the area (early summer) take appropriate actions to prevent livestock from falling in the trench.
- 20. This ROW grant is independent of Environmental Protection Agency (EPA) and Colorado Oil and Gas Conservation Commission (COGCC) approvals. If the holder identifies a conflict between this approval and the necessary approvals granted by the EPA and/or COGCC, the holder will immediately notify this office and propose corrective actions to remedy the conflict.
- 21. This ROW is granted only for the disposal of produced water in well Federal #299-23-1.
- 22. The initial cost per barrel fee will be \$0.15 (originating only from those wells operated by the holder, as recognized by the BLM or COGCC) and \$0.25 (originating from any well) of produced water injected into well Federal #299+23-1. Prior approval must be obtained

from the BLM for the procedures and equipment proposed to be used for measurement of produced water injected into well Federal #299-23-1 (T2S, R99W, sec. 23) before such injection begins. The BLM may modify the proposal and condition the approval.

- 23. This ROW is granted to the holder for the exclusive use of well Federal #299-23-1 for disposal of produced water originating from any well.
- 24. At least 90 days prior to termination of the ROW, the holder shall contact the AO to arrange a joint inspection of the ROW. The inspection will result in the development of an acceptable termination and rehabilitation plan submitted by the holder. This plan shall include, but is not limited to, removal of facilities, drainage structures, and surface material (e.g., gravel or concrete), as well as final recontouring, spreading of topsoil, and seeding. The Authorized Officer must approve the plan in writing prior to the holder's commencement of any termination activities.
- 25. No surface disturbing activities shall take place on the subject right-of-way until the associated APD/sundry is approved. The holder will adhere to special stipulations in the Surface Use Program of the approved APD/sundry, relevant to any right-of-way facilities.

MONITORING AND COMPLIANCE: On-going compliance inspections and monitoring of drilling, production, and post-production activities will be conducted by White River Field Office staff during construction of well pads, access roads, and pipelines. Specific mitigation developed in the associated Categorical Exclusion and the lease terms and conditions will be followed. The Operator will be notified of compliance related issues in writing, and depending on the nature of the issue(s), will be provided 30 days to resolve such issues.

NAME OF PREPARER: Brett Smithers

NAME OF ENVIRONMENTAL COORDINATOR: Heather Sauls

COMPLIANCE WITH NEPA

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with Section 390 of the Energy Policy.

SIGNATURE OF AUTHORIZED OFFICIAL: 6 M M& Gyl Acting Field Manager

DATE SIGNED:

ATTACHMENTS: Figure 1. Geographic location of the existing well pad and road corridor that will be used as the pipeline route for the proposed water pipeline.



Figure 1. The image above illustrates the geographic location of the existing well pad and road corridor that will be used as the pipeline route for the proposed water pipeline.

U.S. Department of the Interior Bureau of Land Management White River Field Office 220 E Market St Meeker, CO 81641

DECISION

PROJECT NAME: WPX's request to install a 4 inch water line associated with the Federal 299-23-1 well (1 SN)

CATEGORICAL EXCLUSION NUMBER: DOI-BLM-CO-110-2014-0106-CX

<u>DECISION:</u> It is my decision to implement the Proposed Action, as mitigated in DOI-BLM-CO-110-2014-0106-CX, authorizing the installation and maintenance of the proposed 4 inch water line servicing the Federal 299-23-1 well and the rights-of-way grants for the water line and disposal well.

MITIGATION: The following mitigation was identified in DOI-BLM-CO-110-2004-164-EA and applies to the Proposed Action:

- 1. Applicant will spread water on road surfaces to control fugitive dust during construction and continue on an as needed basis for the life of the wells.
- 2. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the AO, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.
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- 9. Water bars or dikes shall be constructed on all of the rights-of-way, and across the full width of the disturbed area, as directed by the authorized officer.
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- 20. This ROW grant is independent of Environmental Protection Agency (EPA) and Colorado Oil and Gas Conservation Commission (COGCC) approvals. If the holder identifies a conflict between this approval and the necessary approvals granted by the EPA and/or COGCC, the holder will immediately notify this office and propose corrective actions to remedy the conflict.
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- 22. The initial cost per barrel fee will be \$0.15 (originating only from those wells operated by the holder, as recognized by the BLM or COGCC) and \$0.25 (originating from any well) of produced water injected into well Federal #299-23-1. Prior approval must be obtained from the BLM for the procedures and equipment proposed to be used for measurement of

- produced water injected into well Federal #299-23-1 (T2S, R99W, sec. 23) before such injection begins. The BLM may modify the proposal and condition the approval.
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- 25. No surface disturbing activities shall take place on the subject right-of-way until the associated APD/sundry is approved. The holder will adhere to special stipulations in the Surface Use Program of the approved APD/sundry, relevant to any right-of-way facilities.

COMPLIANCE WITH LAWS & CONFORMANCE WITH THE LAND USE PLAN:

This decision is in compliance with the Endangered Species Act and the National Historic Preservation Act. It is also in conformance with the 1997 White River Record of Decision/Approved Resource Management Plan.

PUBLIC INVOLVEMENT:

Internal scoping was initiated when the project was presented to the White River Field Office (WRFO) interdisciplinary team on 7/8/2014. External scoping was conducted by posting this project on the WRFO's on-line National Environmental Policy Act (NEPA) register on 7/12/2014.

RATIONALE:

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with Section 390 of the Energy Policy Act. The pipeline is required in order to support injection into the Federal 299-23-1 well (requested conversion to SWD well was submitted and approved).

ADMINISTRATIVE REMEDIES:

State Director Review

Under regulations addressed in 43 CFR 3165.3(b), any adversely affected party that contests a decision of the Authorized Officer may request an administrative review, before the State Director, either with or without oral presentation. Such request, including all supporting documentation, shall be filed in writing with the BLM Colorado State Office at 2850 Youngfield Street, Lakewood, Colorado 80215 within 20 business days of the date such decision was received or considered to have been received. Upon request and showing of good cause, an extension may be granted by the State Director. Such review shall include all factors or circumstances relevant to the particular case.

Appeal

Any party who is adversely affected by the decision of the State Director after State Director review, under 43 CFR 3165.3(b), of a decision may appeal that decision to the Interior Board of Land Appeals pursuant to the regulations set out in 43 CRF Part 4.

SIGNATURE OF AUTHORIZED OFFICIAL: Jet mg Cylender Field Manager

DATE SIGNED:

7/17/14